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**BRECKLAND COUNCIL**

**At a Meeting of the**

**GENERAL PURPOSES COMMITTEE**

**Held on Wednesday, 20 March 2013 at 10.00 am in  
Norfolk Room, The Conference Suite, Elizabeth House, Dereham**

**PRESENT**

Mr P.J. Duigan (Chairman)	Mrs S.M. Matthews
Mr T R Carter (Vice-Chairman)	Mrs A.L. Steward
Mr W.P. Borrett	Mr D.R. Williams JP
Mr C. S. Clark	

**In Attendance**

Neil Fordham	- Payroll and Reward Manager
Natalie King	- HR Manager
Helen McAleer	- Senior Committee Officer
Robert Walker	- Assistant Director of Commissioning

**17/13 MINUTES (AGENDA ITEM 1)**

The Minutes of the meeting held on 27 February 2013 were confirmed as a correct record and signed by the Chairman.

**18/13 APOLOGIES (AGENDA ITEM 2)**

Apologies for absence were received from Mr Bambridge (who was on other Council business), Mr Green and Mr Skull.

**19/13 ASSISTED CAR PURCHASE SCHEME (AGENDA ITEM 6)**

The Assistant Director for Commissioning presented the report which sought approval for the reintroduction of the Assisted Car Purchase Scheme (ACPS). The report included additional information and answers to questions that had been raised at the previous meeting.

When the decision had been taken to remove the Lease Car Scheme it had been agreed to look at reintroducing the ACPS to support essential car users. There were currently 87 essential car users employed by the Council.

In the initial report it had been proposed that eligibility should be restricted to essential car users, with the Corporate Management Team (CMT) having discretion to extend the Scheme to key posts for recruitment and retention purposes.

The figures used in the scheme had been calculated to be

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comparable with similar schemes at neighbouring Local Authorities. The maximum loan would be £10,000 over a maximum period of four years. It was noted that administrative costs would be significantly less with the ACPS than with the Lease Car Scheme as after the initial set-up administration the loan payments would be automatically deducted from salary.

The proposed interest rate for the loans was base rate plus 1% divided by 2. The HMRC rate was set at 4%. If the loan was greater than £5,000 it became a taxable benefit with tax and National Insurance implications. If the loan interest rate was set at 4% those contributions would not apply.

Members were therefore asked to consider if they wished the Scheme to charge 4% for the loans, thereby creating income for the Council and avoiding the tax and National Insurance issues.

Councillor Borrett was pleased to see the budgeted costs as it had been impossible to make a decision on the information previously provided. The Proforma B offered a range of costs which gave an opportunity to budget for them. He asked if the likely take-up rate was known.

The Assistant Director for Commissioning said that was not known but was unlikely to be the maximum and more likely to be between 16 and 30.

The Payroll and Rewards Manager advised that the figures in the report had been taken from South Norfolk which was a Local Authority of a similar size. Their take up was 16 people with an average loan of £4,000.

Councillor Borrett said he was keen to have the same rate as South Holland.

Councillor Williams noted that the 4% proposal had not been an option for the LJCC but he would have been in favour of it as it meant less impact on the Council.

The Assistant Director for Commissioning explained that the option had only been discussed over the last few days and that Unison had been informed and supported the proposal, although noting that it was less favourable to staff.

Councillor Steward sought clarification of what constituted an Essential Car User and it was explained that such staff had to have a car to carry out their duties, such as Planning and Environmental Health Officers who had to make site visits and travel many miles.

Councillor Carter was glad to have a second option and to have the information on the number of potential users. He asked if that figure

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covered non-essential car users as well.

The Assistant Director for Commissioning advised that the Scheme was expected to focus on Essential Users that had to have a car to carry out their role. The only exceptions would be at the discretion of CMT who might offer the scheme to attract or retain the right calibre of person for a specific post. The number of non-essential users in the scheme was expected to be very low.

Councillor Clark had done some research and said that there were comparable schemes available in the private sector so he agreed that take-up was unlikely to be high. He supported the 4% option.

Councillor Borrett suggested that if the 4% option was supported, which would provide a return for the Council it could be offered to all employees. If the original option was chosen he could understand why it would be limited, but if there was no direct cost to the Council he thought it should be a benefit to all employees, at CMT's discretion.

The Assistant Director for Commissioning gave some details of the figures. If 100 people took the maximum loan of £10,000 at 4% it would equate to a £20,000 gain to the authority. If 100 people took a £4,000 loan the gain would be about £8,000.

Councillor Williams noted that if the offer was extended to all staff there would need to be a clause in the agreement to cover eventualities such as redundancy, staff leaving or changing post.

The Payroll and Reward Manager advised that those issues were covered in paragraph 26 of the Policy document.

The Chairman suggested that the 4% option should be approved for Essential Users only in the first instance and then reviewed in six months, but Councillor Williams thought that Members should agree the scheme for all staff at CMT's discretion. A new proposal was moved and seconded.

**RESOLVED** to reintroduce the Assisted Car Purchase Scheme at the HMRC interest rate, for all staff at the Corporate Management Team's discretion.

**20/13 NEXT MEETING (AGENDA ITEM 7)**

The arrangements for the next meeting at 10.00am on Wednesday 17 April 2013 in the Norfolk Room, Elizabeth House, Dereham, were noted.

The meeting closed at 10.25 am

CHAIRMAN